

HCS HB 234 -- DEBT OFFSETS FOR UNPAID MEDICAL BILLS

SPONSOR: Gatschenberger

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Local Government by a vote of 18 to 1.

Currently, the Department of Health and Senior Services processes claims submitted by hospitals and health care providers requesting an offset of income tax refunds to satisfy an outstanding debt owed by a taxpayer. This substitute repeals the provisions regarding the process by which the department requests offsets and authorizes an entity designated as a claim clearinghouse to process and verify requests for an offset for ambulance service providers of taxpayer income tax refunds and lottery winnings to satisfy outstanding debts for ambulance services received. Prior to utilizing the clearinghouse, an ambulance service provider must determine whether the patient is eligible for relief from the claim under the provider's financial hardship policy and if not, the provider must exhaust all available means of collecting the debt from the patient or third-party payer and give certain notices to the patient and allow for various levels of review and appeal of his or her claim. A collection assistance fee of \$31 allocated between the clearinghouse and the Department of Revenue is assessed to each offset for the costs of collecting the debt.

The Director of the Department of Revenue is authorized to impose an offset against a refund owed to a taxpayer for eligible claims in the following priority:

- (1) Delinquent taxes owed to the state of Missouri;
- (2) Delinquent taxes owed to the United States;
- (3) Debts owed to any state agency or for a support obligation;
- (4) Collection assistance fees for the state and the claims clearinghouse for processing the debt offsets;
- (5) Eligible claims for debts owed to ambulance service providers;
and
- (6) Debts owed to other states with whom Missouri has a reciprocal offset agreement.

PROPONENTS: Supporters of the bill say that providing another tool for these entities to try to collect debts owed will help relieve some of their financial burdens.

Testifying for the bill were Representative Gatschenberger; Mid-America Regional Council; Art Maxwell, Missouri Ambulance Association; Vernon County Ambulance District; Craig Faith, Maries Osage Ambulance District; Taz Myer, St. Charles County Ambulance District; and Frank Foster, EMS Legal Services.

OPPONENTS: There was no opposition voiced to the committee.